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# APPLYING AN INFORMATION PROCESSING MODEL TO MFASURE THE EFFECTIVENESS OF A MAILED CIRCULAR ADVERTISEMENT

Contract N66314-72-A-3027

A Thesis

Presented to the

Faculty of

San Diego State University



In Partial Fulfillment
of the Requirements for the Degree
Master of Arts

in

Business Administration

bу

Dennis Allen Achenbaugh

Summer 1982



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#### Chapter 1

#### INTRODUCTION

#### Project Background

One of the major concerns facing modern advertisers and retailers is the effectiveness of their advertising program. The Navy Resale System in San Diego, like most retailers, expects to receive the maximum benefits from their limited advertising budget. In order to ascertain the effectiveness and possible future implementation of a test advertisement (mailed circular), an evaluation program was deemed necessary. Such an evaluation was conducted using William J. McGuire's "Information Processing Model" (McGuire, 1976).

The Navy Resale System consists of numerous retail exchanges (department stores), cafeterias, numerous commissary stores (supermarkets), automobile service stations, Navy Lodges (motels), vending machine operations, and personalized services (barber shop, beauty shop, tailor, laundry, dry cleaning, and car rental). In general terms, it could be described as a Sears Roebuck, Safeway, Bob's Big Boy, Texaco, Holiday Inn, and many small personal service centers operating under one organization. All of these functions are under the central control of the Navy

Resale Systems Office in New York. Headquarters delegates a great deal of the control to regionalized offices which have the responsibilities of centralized accounting, purchasing, personnel management, and advertising.

Advertising by San Diego's Navy Resale System has been limited to printed multiple page circulars with limited distribution and on premise promotional displays.

Circulars are typically printed for the following spring and summer sales promotional themes: Washington's Birthday Sale, March Bonanza, Garden Shop Opening, Spring Sale, Home Improvement, Pre-Summer Sale and Easter Sale, Fish-O-Rama, Housewares Fair and Mother's Day, Memorial Day, Sight and Sound, Father's Day, Independence Day, White Sale and Housewares Bonanza. The advertising theme under consideration in this project was the "Spring Sale."

The intent or goal of the circulars is to attract eligible patrons (active duty and retired military members and their dependents) to the retail activities. However, in the past, the circulars have been placed at high pedestrian traffic areas on the major Navy bases in the San Diego metropolitan area, centrally distributed at the major government housing complexes, and have been available on premise at the Navy Exchanges (NEX). The problem with the present advertising program is that the printed circular usually doesn't get into the families' homes. Thus, a large segment of the eligible patrons are not exposed to

the ads in a manner which would attract them into a NEX.

The answer to the above problem would seem to have a very simple solution--mail the circulars to all eligible patrons. However, there are several questions and obstacles with this parsimonious solution:

- 1. According to the Privacy Act of 1964, governmental agencies (Armed Forces included) are prohibited from releasing the names, addresses, and telephone numbers to any organizations without the member's specific written permission. This procedure makes the compilation of a mailing list of eligible patrons somewhat laborious but not impossible.
- 2. According to Navy Resale operating regulations, the NEX's are prohibited from mailing advertisements to persons who are not eligible patrons. This precludes mailings to "Occupant" or "Resident" with a specific address but not a known specific name.
- 3. In addition, direct mail advertising must be aimed at individuals who have some desire to receive it (Jordan, 1976). Jordan, a product management director of the U. S. Postal Service emphasizes that the recipient of unwanted mail always has the option of throwing it away. It is quite possible that an individual may find it easier to avoid reading mailed ads than to escape any other form of advertising. Jordan's study found that 16% of advertising mail received was immediately discarded while 13%

set the advertising aside to be read at a later time.

4. Direct mail advertising is too expensive to send out to all possible patrons when the actual objective is to reach a small specialized segment (Leblang, 1979). For example, if the retail promotion is children's clothes, it would be more efficient to mail only to those members with children, not all eligible patrons. Similarly, if the sale is on garden shop type merchandise, persons owning their own homes would be more responsive candidates to receive the ad than those residing in government housing or rental property.

## Purpose

In describing many retailers' advertising and promotion programs, Slosberg (1980) states, "The retailer has shot a bullet into the air and hopes like hell that a fat quail will somehow, and miraculously, run into it" (Slosberg, 1980, p. 101). Avoidance of this situation is desired. Thus, the purpose of this study is to measure the effectiveness of a mailed circular to eligible NEX patrons.

There are a variety of measurable consequences of an advertisement and there are a number of techniques that can be utilized to conduct the measurement. Sales is the most commonly measured outcome of advertising (Hendon, 1981). However, there are numerous uncontrollable variables which may influence sales (Campbell, 1969; Haight, 1976; & Hendon, 1981).

#### These include:

- 1. Size and composition of the population.
- 2. Level and distribution of personal income.
- 3. Technological changes.
- 4. Life-style changes.
- 5. Social trends.
- 6. Competitive actions and reactions.
- 7. Economic and industrial conditions.
- 8. Government regulations and actions.
- 9. Weather.
- 10. Payday/non-payday.
- 11. Congruency of the merchandise with customer demand.

Because sales have the lowest validity in terms of indicating the effectiveness of the ad, other areas of measurement are often used. These include market share, number of purchasers, distribution of product, distribution of the advertising vehicle or circulation, playback of attitude about the product, playback of attitude about the ad, playback of knowledge or awareness of the product, and playback of knowledge or awareness of the ad (Hendon, 1981).

The evaluation model for this study, McGuire's information processing model, (McGuire, 1976) includes several of the above measures. The McGuire model is an information processing model and is a type of hierarchy of effects model similar to that which was originated by

Lavidge & Steiner (1961). Briefly, both models assume the buyer moves through six phases of information processing. Under this assumption, the effectiveness of the ad can be measured through the various stages of the model. The model will be discussed in detail in Chapter 2.

### Statement of the Hypotheses

The following hypotheses will be examined in this study:

Hypothesis 1. A mailed circular advertisement will make recipients aware of the NEX promotional sale.

Hypothesis 2. A mailed circular advertisement will make recipients attentive to the NEX promotional sale.

<u>Hypothesis 3.</u> A mailed NEX circular advertisement will be comprehended.

Hypothesis 4. Recipients of a mailed NEX circular will yield to the information contained in the ad.

Hypothesis 5. Recipients of a mailed NEX circular advertisement will have short term retention (4-7 days) of the information contained in the ad.

Hypothesis 6. Recipients of a mailed NEX circular advertisement will exhibit a purchase behavior for merchandise included in the advertisement.

### Chapter 2

#### REVIEW OF RELATED LITERATURE

This chapter presents a review of the literature relevant to the study. The chapter is divided into three parts. The first section will review the literature describing hierarchy of effects models. The second section will provide a synopsis of the literature that disputes the hierarchy of effects. The final section of the chapter will provide several examples and applications of the hierarchy of effects models.

### The Hierarchy of Effects

The pioneers of the hierarchy of effects model for explaining purchase behavior and applying it to the field of advertising are Lavidge & Steiner (1961). They approach the ultimate purchase through a process or series of steps in which the actual purchase is but the final threshold. According to the theory, advertising is the impetus which moves people up a series of steps:

- 1. Potential purchasers who are completely unaware of the existance of the product or service in question are at the first step of the model.
  - 2. The next step is characterized by those who

are merely <u>aware of the existence</u> of the product or service.

- 3. Those who know what the product has to offer are at the third step of the model.
- 4. Closer to the act of purchasing are those who have a favorable attitude towards the product.
- 5. Still closer to purchasing are those whose favorable attitude have developed to the point of <u>preference</u> over all other possibilities.
- 6. The consumer who couples preference with a desire to buy and the <u>conviction</u> that the purchase would be wise make up the penultimate step.
- 7. Actual <u>purchase</u> is the final step which translates the attitude into a behavior.

The various steps in the model are not necessarily equidistant. Consumers move through the model at various tempos which is usually dependent upon the type of product. Impulse purchase may take place without previous awareness. However, industrial goods and large ticket high involvement items tend to follow the numerous steps of the model (Lavidge & Steiner, 1961).

According to the originators of the model, a great deal of advertising is designed to move people through the final stages toward purchase. This is generally considered a good strategy if the consumer has passed through the lower stages in the model. Some advertising campaigns may

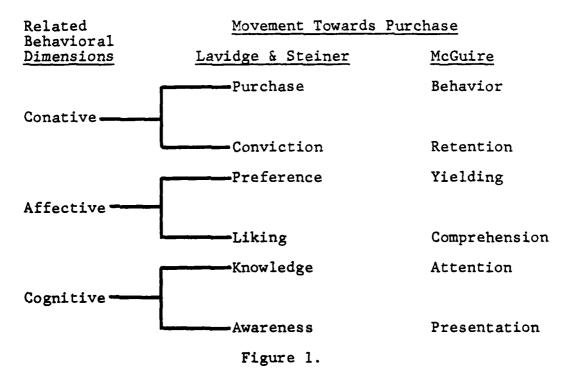
be targeted primarily at different stages in the process. For example, a good strategy would be to design the ads to move the unaware consumer through the steps to the ultimate purchase action. Each step may require a different advertising strategy.

Further discussion of the Lavidge & Steiner model will include the six final steps omitting the unawareness step. In this way, hierarchy of effects can be likened to a classical psychological model which divides behavior into three dimensions (Lavidge & Steiner, 1961).

- 1. The cognitive component includes the intellectual, mental, or rational states. This component encompasses the awareness and knowledge steps of the hierarchy.
- 2. The affective dimension deals with the emotional or feeling states of the consumer. This translates to the liking and preference stages of the hierarchy.
- 3. The motivational or conative component is the striving states relating to the tendency of a person to treat objects as positive or negative goals. The conative dimension of the classical psychological model can be compared to the final two steps of the hierarchy--conviction and purchase.

McGuire's (1976) approach is to view the individual as an information processing machine which must proceed through a chain of hierarchical behavior steps, each probabilistically linked to the preceding one and leading

to the final behavior. In the marketing sense, the final behavior would be the purchase of the advertised product. The behavior will materialize only if the chain of behavioral steps is not interrupted. McGuire's theory postulates that man, the information processing machine, when presented with some new information, tries to digest and deal with it as effectively as possible and alter his behavior accordingly. Advocates of the information processing theory attribute ineffectiveness of an advertising campaign to a failure of communication rather than to active evasion or resistance on the part of the recipient.



Comparison of Hierarchy of Effects Model with the Information Processing Model

It should be noted that the Lavidge & Steiner model uses steps which are actions directed towards a goal whereas McGuire's model deals with the communication.

Nevertheless, the basic principles and concepts are similar for both models.

One should view the information processing model as a continuous process whereby the recipient of the communication conscientiously moves from stage to stage. The model suggests that an individual moves through these processes when receiving a communication. Thus, it would behoove the communicator or advertiser to view the receiver of the message as undergoing this information processing in order to maximize the impact of the message. advertiser must also be aware that a break in the chain of information processing steps means a disconnect in the communication. In other words, the recipient will not be moved to the desired behavior. It should also be noted that the model is probabilistic in nature. The final outcome of the communication is determined by the probability of the occurrence of the previous steps. For example: each step had a probability of occurrence of 0.70, the final behavior would have a probability of occurrence of only 0.17  $(0.70 \times 0.70 \times 0.70 \times 0.70 \times 0.70 = .16807)$ . This highlights the fact that if the message performs poorly in only one of the steps, it will have a disasterous effect on the overall outcome of the communication.

An explanation of the applicability of the information processing model to advertising would not be complete without mention of the "matrix of persuasion." According to McGuire (1976), the matrix's primary application is in determining an overall media strategy by bringing the independent behavior variables (presentation, attention, comprehension, yielding, retention, and behavior) together with the dependent variables of the communication components (source, message, channel, receiver, and distribution). Figure 2 is a diagram of the model. The persuasion matrix is a useful tool for a variety of advertising strategies to be considered. McGuire suggests using a simple (++), (+), (0), or (-) in each box to show how the component might interface with the occurrence of one of the steps.

Dependent Variables	Persuasion Ma Independent Variables	Source	Message	Channe 1	Receiver	Destination
Message Presentati	on					
Attention						
Comprehension						
Yielding						
Retention						
Behavior						

Figure 2. McGuire's Persuasion Matrix

For example, bright vivid colors may be appropriate for attracting the reader's attention and receive a score of (++) for source/attention. However, it may detract or hinder the yielding behavior if the intent of the message was to create a mood for a product to be used in a tranquil setting. Thus, it would receive a (-) score. In this manner, the advertiser is able to see interrelationship of the independent variables with the dependent variables and arrive at the optimum mix. The matrix model can also be applied to an existing advertising campaign.

### Pros and Cons of Hierarchy of Effects Model

The hierarchy of effects model is not without its critics. Palda (1966) has given the model critical scrutiny. In the cognitive dimensions, he questions whether awareness precedes or follows the purchase behavior. Consequently awareness may be a function of buying the product instead of a prerequisite to the purchase behavior. Palda contends awareness and sales usually coexist, i.e., higher awareness exists when one has higher purchasing rates. He cites evidence that knowledge, the second step in the hierarchy, is not a prerequisite to sales nor is there a direct correlation between sales and knowledge. He postulates that attitude and belief changes are behavioral variables which should be measured to predict the effectiveness of an advertisement.

The strongest conviction held by the advertising community with regard to the hierarchy relates to the linkage of attitude (or change in attitude) and sale of the advertised product (or change in sales). There are two questions which skeptics of the hierarchy raise:

- 1. Is attitude a mechanism which tends to direct behavior?
- 2. Must a change in attitude precede, rather than follow, a change in behavior?

In the explanation of the phenomenon of cognitive dissonance, Straits (1964) demonstrates instances where attitude change follows the purchase behavior.

Reibstein, Lovelock, Dobson (1980) and Fishbein (1973) conducted studies to examine the attitude-behavior causality in the broader context of understanding the nature of consumer decision processes. They found that people's attitudes were influenced with experience, although the extent to which this occurs will vary by product category and among individuals. These researchers contend that studies which claim attitude change precedes behavioral change are potentially misleading because they cannot distinguish attitudes that influence behavior from those that are influenced by it. Thus, there is little reason to expect attitudinal-behavioral consistency. Under this assumption, the significance of the affective portion of the model is questionable. If there is no consistency

between attitude and behavior, there can be little predictability in the hierarchy model.

In the conative dimension, the weakness of the hierarchy lies with the impulse buyer (Palda, 1966). Impulse purchases are generally defined as purchases made in a store that are different from those the consumer planned to make prior to entering the store. This unplanned purchase indicates a lack of rationality and a high degree of spontaneity in the consumer's behavior. This type of buyer action places the actual behavior prior to the intention to buy. Some cases may exist where the impulse purchase may precede previous awareness of the product. Thus, the behavior would be the first step in the hierarchy. The remaining steps (awareness, knowledge, liking, preference and conviction) would be the result of the behavior instead of causing the behavior.

Vaughn (1980) states that those products which are low involvement and are purchased with the intent to satisfy personal tastes (cigarettes, liquor and candy) fit into a DO-FEEL-LEARN buying model which is the reverse of the hierarchy of effects model. His postulation is that the consumer buys the product (DO), evaluates the product's taste or sensation (FEEL), and then forms an attitude towards the product (LEARN). Vaughn states that high involvement products would not fit this simplistic model.

As Fishbein (1973) notes, several factors will influence the degree of correlation between behavioral intention and behavior. For example, the longer the time interval between the intention and observed behavior, the lower the correlation will be. In addition, the more dependent the intention is on other wants and/or people the lower will be the relationship of intention and behavior. These factors do not necessarily disprove the intention-behavior hierarchical relationship; however, they do highlight the fact that there are uncontrollable variables which may affect the relationship.

Tauber (1973) criticizes the Lavidge-Steiner hierarchy of effects model in that for the model to demonstrate product adoption and repeat usage, it would need two additional steps: satisfactory product performance and need fulfillment/problem solution. This theory assumes an additional attitude change is necessary after the initial purchase and prior to product adoption.

There is considerable literature to refute the causality of attitude in behavior. However, the preceding examples are representative of the skepticism of the relationship.

In a study to determine if all individuals pass through each stage of the hierarchy and if the direction of flow of the process is as stated, Aaker & Day (1974) came to some interesting conclusions. They found that adver-

tising influences both awareness and attitude, while awareness and attitude influenced behavior. Noteworthy is their finding that the influence of advertising went directly from awareness to behavior, not through attitude. Thus, they conclude that the hierarchy model is only partially correct. Attitude change preceded behavior change, although the reverse effect was noted to a small extent.

O'Brien (1971a) has taken exception to the criticism of the hierarchy of effects model. His contention was that the opponents of the model only viewed the model on a piecemeal basis without any straightforward verification of the model in its entirety. His study concluded that the basic sequence of cognitive, affective and conative psychological states over time basically supported the hierarchy predictions. Awareness was causally related and prior to attitude, intention, and purchase. In addition, attitude and intention causally preceded the behavior. However, the relationship between attitude and intention was not determined.

Other researchers which found supporting evidence of the hierarchy of effects model include Assael & Day (1979). They criticize Palda's work in that regression of predictor variables on market share were run only for awareness. Also, his study was based on three successive interviews with inclusive results regarding the appropriate lead-lag temporal relationship Assael & Day's findings

consistently demonstrated that the affective dimension was more effective in explaining market share than the cognitive or usage dimension. This lends credence to attitudinal analysis. It also supports the basic proposition of the hierarchy of effects that changes in attitudes are more closely related to subsequent behavior change, than are changes in awareness. The direction of flow of the hierarchy is supported in the finding that attitudes predict market share better than market share predicts attitudes. This favors the hypothesis that attitudinal change precedes rather than follows a behavioral change.

### Applications of the Hierarchy of Effects

The hierarchy of effects model by Lavidge & Steiner has been in existence for a number of years. As one might expect, the literature is relatively rich with applications of the model. The several examples in the following pages is not meant to be an all inclusive list, but instead, a representative sample of some of the publicized applications.

Robertson (1968) was one of the early users of the hierarchy of effects model. He used it to determine whether innovators and non-innovators respond differently at the affective and conative stages in the purchase sequence. His findings concluded that innovators could not be distinguished from non-innovators on the cognitive component. However, innovators and non-innovators could be

distinguished on the affective behavioral component. At the conative stage, purchase and non-purchase discriminates the two groups. Robertson's implication of the study was that to encourage adoption by the non-innovators necessitates marketing efforts to encourage favorable affective learning. The ability to discriminate between the two groups at the conative stage was due to the legitimation of the innovators. This implies that ads aimed at securing legitimation of the non-innovator would improve purchase frequency.

Using the hierarchy of effects, O'Brien (1971b) compared the consumer's decision path when word-of-mouth and advertising were used as inputs to initiate the chain of events. He found that advertising was not prominent in the decision path even though it had a significant influence on attitudes. The ads used in the study had no effect on intention. Thus, there was no influence on the purchase behavior. O'Brien concluded that word-of-mouth was a more effective input and that advertising should be used to stimulate or initiate the word-of-mouth stimulus.

Pavasars & Derr (1971) advocate the use of a hierarchical model in television commercial testing. If only recall is used as the basis for the test, one can miss important aspects of commercial performance. They hypothesize that a strong hierarchical relationship would exist in cases where the mode of communication is verbal and a

weaker relationship where the mode of communication is largely nonverbal. Their findings tend to support their hypothesis in that the commercial's effectiveness increased as the strength of the signal (message) relative to the noise level increased.

In a study to determine lawyers' reactions to legal advertising, Dyer & Shenip (1980) used a hierarchy of effects framework for investigating lawyers' advertising decision making process. The framework begins with the lawyers' knowledge about the workings of advertising and beliefs concerning its acceptability and effectiveness. Progressing from the cognitive level to the affective level, their assessment along various evaluative dimensions such as like-dislike and good-bad were ascertained. Finally the conative level was determined by the lawyers' decision to ultimately advertise. The findings of this phase of the study found that the majority of lawyers are opposed to advertising their services. This they found to be due to deep seated beliefs that advertising is unprofessional and inherently deceptive.

Jagpal (1981) has taken the single product hierarchy of effects model and developed a multiproduct/multibrand advertising sales model. Even though his model consists of only awareness, preference, and sales, he claims that the unobservable behavioral process intervening between advertising and sales is critically examined. In

his particular study which applied both qualitative and quantitative decision making techniques, he found that radio advertising was relatively ineffective in stimulating sales of the joint outputs (savings and checking) because its impact on awareness was low.

Craig and McCann (1978) used McGuire's information processing model in a field experiment to evaluate alternative ways of promoting energy conservation behavior. The theory being that energy consumers first had to become aware of the energy problem and then move through the various stages of consumer information processing to reach an energy conservation behavior. Their findings indicated that the credibility of the input had a great effect on the effectiveness of the communication and the actual consumption of electricity.

In a study similar to Craig and McCann's, Seligman and Hutton (1981) conducted research to determine the effectiveness of various energy conservation programs. Again, the hierarchy of effects model was used as a basis for the consumer's behavior. They theorized that actual energy conservation behaviors were not readily apparent because energy consumers had not had enough time to work their way through the hierarchy. They found awareness, knowledge, and attitudes quite favorable towards energy conservation. However, the conative portion of the model, intention and behavior, was not observed.

Another application of the hierarchy of effects as related to the energy crisis was done by Hutton and Wilkie (1980). They used the hierarchical model to evaluate consumers' adoption and purchase of energy saving devices when using life cycle costing (LCC) to justify the purchase. LCC is somewhat unique and foreign to most consumers in that when it is applied to the purchase of an item, the net benefit (savings) is realized by using the item over its life expectancy. Most products are purchased with the intent of some sort of immediate gain or satisfaction. Results of their experiment indicated that life cycle cost can be communicated and could produce energy-efficient purchases yielding savings of over four billion dollars per year by 1985.

An important factor in designing evaluation research is identifying the intervening outcomes between the program inputs and the desired outcomes (Day & Brandt, 1974). The intervening outcomes are the individual steps in the hierarchy of effects. Day & Brandt used the model to evaluate the Truth in Lending disclosures on consumer search and credit usage behavior. Day & Brandt found that the improved knowledge of credit rates and charges that could reasonably be attributed to the Truth in Lending disclosures had relatively little effect on credit search and usage behavior. Due to various reasons, their study revealed that the credit related decisions are often decided to be default once the retailer or dealer is chosen.

The hierarchical model has also been applied to marital roles in family consumption by Davis and Rigaux (1974). They assumed that possibly the husband and wife would move up through the various communication steps. They found the model appropriate for consumption decisions which were either wife dominant or husband dominant. However, where syncratic or joint decisions were made, the model seemed insufficient for describing a group decision -- in this case a couple. Davis and Rigaux also found that for those products which fall into an either/or dominance situation, the model could not be applied to the same decision unit at each stage. For instance, both husband and wife may be the relevant unit in moving from no awareness to awareness, either the wife or the husband between awareness and brand preference, and both again between preference and conviction.

Robertson, Rossiter & Gleason (1979) used a version of the hierarchy of effects to evaluate the receptivity of children to proprietary medicine advertising. Their behavioral chain of steps included knowledge, belief, affect, intent and request. The results of the study showed limited correlation between exposure and the childrens' requests to parents for medicine. Additional intervening variables such as parental mediation and the child's illness experience seemed to have a great effect on the childrens' information processing. Thus,

these extraneous variables may have been the cause of the deviation from the hierarchical model.

In testing the response to advertising contraceptives, Black & Farley (1977) establish a set of endogenous variables which included advertising awareness, comprehension, and trial. They hypothesized that the consumer would move through these three stages in the purchase and consumption of contraceptives. Their model also included a feedback loop for repeat purchases. He combined the hierarchical model with a set of exogenous variables and concluded that contraceptives do not have any special marketing paradigm. The response pattern by consumers indicated that information processing for consumption of contraceptives was similar to other family products.

An application of the hierarchy of effects at the group level, instead of the individual level, was made by Johansson & Redinger (1979). Path analysis was applied to the various causal links connecting advertising to sales. In addition, Johansson & Redinger performed an empirical application to advertising's effect upon market share and the linkages in the hierarchy. They found that in the early stages of the hierarchy, path analysis made little difference. However, as one moved toward the purchase action, path analysis approach yields added insights into the working of the hierarchy.

The final example is the work of Kernan & Sommers (1967) where they describe the function of promotion. They contend that promotion should not function with the sole purpose of selling. Instead, the function of promotion should be to create and to transmit such information as promises to result in the cognitive, affective and conative elements of behavior.

The above applications demonstrate the diversity of applying hierarchy of effects models to many varying situations. Thus, while it should be applicable when used in measuring the effectiveness of a mailed circular advertisement, no published attempts to demonstrate such an application are evident.

# Chapter 3

#### METHODOLOGY

#### Instrument

The survey instrument employed was a telephone administered questionnaire designed to measure the effectiveness of a mailed circular advertising NEX merchandise (Appendix B). A hierarchical information processing model was used to evaluate the recipients' responses along the causal chain of events from presentation to purchase. Specifically, the instrument was designed to measure the advertisement in the areas of presentation, attention, comprehension, yielding, retention, and behavior. The results of the study could be used to determine the feasibility of using a mailed circular on a large scale as part of the Navy Resale System advertising program.

### Respondents

A convenience sample was used which originated from the Shore Intermediate Maintenance Activity (SIMA), a naval activity comprised of approximately 1,600 personnel. Due to Privacy Act considerations, the respondents were asked to volunteer for the study. Out of the 1,600 possible respondents, a sample of 118 personnel volunteered for the study. The sample turned out to be a representative

cross section by pay grade of the activity.

## Questionnaire and Advertisement Administration

The mailed circular, Appendix B, was mailed to 113 of the volunteers on March 11, 1982. Five of the respondents had obvious errors in their address or listed an address which was out of the San Diego metropolitan area. Additional mailings were mailed to non-participants to approximate the date the ad was received by the respondents.

The questionnaire (Appendix A) was administered by telephone to the recipients of the advertisement. The interviews were conducted during the following days and times:

Tuesday March 16 6:00 P. M. - 8:00 P. M.

Wednesday March 17 4:00 P. M. - 8:00 P. M.

Thursday March 18 4:00 P. M. - 8:00 P. M.

Friday March 19 11:00 A. M. - 6:00 P. M.

Three interviewers were used to conduct the survey. If the person who normally conducted the NEX shopping was not at home, arrangements were made for a call back. If the telephone was not answered, a call back was made during the last hour of that day's interviewing. If again it was not answered, an additional call back was made on the last day of interviews.

# Method of Analysis

The data analysis consisted of frequencies and Analysis of Variance (ANOVA). The frequencies were utilized to measure the magnitude of each of the areas of the information processing model. Measurement of retention was limited to the four to seven day recall response based on the one interview. The One Way Analysis of Variance was employed to ascertain whether the respondents in the various demographic categories differed in respect to the six response areas of the information processing model.

# Chapter 4

#### RESULTS

#### Responses

Of the 113 potential respondents, 98 telephone interviews were conducted. The remaining 15 respondents couldn't be reached due to incorrect telephone numbers or no answer when called.

### Presentation

The first hypothesis examined was that a mailed circular advertisement will make recipients aware of the NEX promotional sale. Tables 1, 2, and 3 provide the data indicating respondents' awareness. The results indicate that 70.4% of the respondents recall receiving the advertisement. Even though they were all sent by mail, nearly 20% of those respondents receiving the circular, obtained it by other means (store location, on base, and at housing complex). Table 3 indicates that the majority of the respondents are accustomed to receiving department store type advertisements and are aware of the same. In addition, it indicates awareness of which retail establishments are the NEX competitors using mailed circular advertisements.

TABLE 1

# RESPONDENT RECEIPT OF THE CIRCULAR ADVERTISEMENT

	FREQ	FREQ %
Received the ad.	69	70.4
Did not receive the ad.	29	29.6
Total	98	100.0

TABLE 2

# HOW RESPONDENTS RECEIVED

# THE CIRCULAR ADVERTISEMENT

	FREQ	FREQ %
Received in the mail.	55	78.6
Obtained on premise at the store.	11	15.7
Received at Navy housing location.	1	1.4
Total	69	100.0

TABLE 3

AWARENESS OF COMPETING ADS RECEIVED

IN THE MAIL

	FREQ	FREQ %
No ad received.	16	23.2
One ad received.	8	11.6
Two ads received.	16	23.2
Three ads received.	13	18.8
Four or more ads received.	16	23.2
Total	69	100.0
Mean = 2 ads		

# NAMES OF COMPETING ADVERTISEMENTS AND THEIR RESPECTIVE FREQUENCY

STORE	RESPONDENTS	INDICATING	RECEIPT
K Mart Sears Roebuck Montgomery Ward Fed Mart May Company		30 28 23 20 12	
J. C. Penney GEMCO		10 10	
Broadway Mervyns		8	
Walker Scott Robinsons		2	
Bullocks Nordstroms		1	
Nieman Marcus		î	

## Attention

The second hypothesis was that a mailed circular advertisement will make recipients attentive to the NEX promotional sale. Tables 4 and 5 summarize the analysis of data pertaining to this hypothesis.

The results indicate that sufficient attention was given to the ad by 12% of the respondents to recall the theme of the promotion. However, over four times this number could recall the predominant colors (red and/or green) of the front page. Possibly people are more attentive to colors than the bold print across the face of the advertisement. However, respondents had a greater chance of guessing the correct color than they did guessing the correct title or theme to the advertisement. Nevertheless, there was evidence of general attention given to the circular.

TABLE 4

RESPONDENT RECALL OF THE

MAIN THEME OF THE ADVERTISEMENT

	FREQ	FREQ %
Correctly identified Spring Sale.	12	17.3
Could not recall.	57	82.7
Total	69	100.0

TABLE 5

# RESPONDENT RECALL OF THE PREDOMINANT COLOR OF THE FRONT PAGE OF THE ADVERTISEMENT

	FREQ	FREQ %
Correct colors named.	35 <sup>a</sup>	50.8
Incorrect colors.	17	24.6
Don't know.	17	24.6
Total	69	100.0

a - A recall of either red or green was considered a correct color response.

## Comprehension

The third hypothesis was that a mailed NEX circular advertisement will be comprehended as measured by recall of the products advertised. Tables 6 and 7 summarize the analysis of data pertaining to this hypothesis.

Table 6 indicates 68% of the respondents could recall, on an unaided basis, one or more specific products advertised in the circular. It should be noted that the items with the highest unaided recall, women's wear and men's wear, were items found in the multi-colored centerfold (pages 6 and 7) of the advertisement.

One Way Analysis of Variance (.05 level of significance) revealed that women's mean unaided recall was approximately two items, whereas men's mean unaided recall was approximately one item. Thus, when comparing the two sexes, a higher level of comprehension was found among women.

Table 7 indicates that 97% of the respondents could recall at least one item on an aided basis. As expected, the number of items recalled per respondent increased dramatically when aided recall was used. When the items are placed in sequence based on the frequency they were recalled, there is less variation between items on an aided basis than an unaided basis. When comparing the sequence of the two lists, one should note that the order varies considerably. One Way Analysis of Variance revealed

that the group which indicated that they had previously read information on the project had higher aided recall than those who had not read any information on the study (.05 level of significance). This finding was not present in analysis of unaided recall. The results indicate that 68% of those respondents exposed to the ad comprehended the material contained in the advertisement.

TABLE 6

UNAIDED
RECALL OF ADVERTISED MERCHANDISE

NUMBER RECALLED	FREQ	FREQ %
None	22	31.9
One	23	33.3
Two	13	18.8
Three	6	8.7
Four	5	7.2
Total	69	100.0

Mean = 1.26

ITEM	FREQUENCY OF UNAIDED RECALL
Women's wear Men's wear Sundries Girl's wear Stereos Tableware Sporting goods Automotive products Cameras Food items Books Boy's Knit Tops Girl's Knit Tops Picture frames Shoes Typewriters Bicycles Camping Equipment Ironing helpmates Tools	13 12 11 6 6 6 5 5 5 4 3 2 2 2 2 2 2 2 2

Unlisted items were not recalled on an unaided basis by respondents.

TABLE 7

AIDED
RECALL OF ADVERTISED MERCHANDISE

NUMBER RECALLED	FREQ	FREQ %
None	2	2.9
1-3	7	10.1
4-6	16	23.2
7-9	21	30.4
10+	23	33.3
Total	69	100.0

Mean = Approximately 6

ITEM	FREQUENCY OF AIDED RECALL
Housewares Suncries	50 49
Men's wear	48
Boy's clothes Stereo and radio	47 47
Women's wear	45
Sporting and camping goods Girl's wear	44 42
Cameras	42
Small appliances	41
Automotive Tools	36 34
Books	25
Food items	20
Toys Furniture-shelf units	19 13

# **Yielding**

The fourth hypothesis was that recipients of a mailed NEX circular will yield to the information contained in the ad. Figure 3 summarizes the data relative to the NEX ad and mailed ads in general. In all categories measured, the mean value of all respondents was positive towards the NEX ad and mailed ads in general. The most favorable responses were in the categories of perceived quality and value of the merchandise displayed in the ad. The positive response to receiving advertisements in the mail confirms the findings of Jordan's (1976) study.

One Way Analysis of Variance revealed the following results at the 0.05 level of significance:

- 1. The upper pay grades (E-4 and above) enjoy receiving ads in the mail more than the lower pay grades (E-3 and below).
- 2. Officers (0-1 and above) and Petty Officers (E-4 to E-6) perceive the merchandise was more relevant for their needs than the lower pay grades (E-3 and below) and Chief Petty Officers (E-7 to E-9).
- 3. Women perceived the advertisement as more attractive and as having merchandise more relevant for their needs than did men.
- 4. Chief Petty Officers (E-7 to E-9) and Lieutenant Commanders' and above attitudes on perceived value of NEX merchandise in the ad was lower than that of other

pay grades.

The overall evaluation is that there was evidence of positive attitudes towards the NEX advertisement and mail advertisements in general.

I ENJOY RECEIVING ADS IN THE MAIL (4.043)<sup>a</sup>

NEX AD WAS INFORMATIVE (3.397)

NEX AD HAD MERCHANDISE FOR MY NEEDS (3.522)

NEX AD WAS ATTRACTIVE (3.580)

NEX AD HAD MERCHANDISE OF GOOD QUALITY (4.000)

NEX AD HAD MERCHANDISE AT A GOOD VALUE (3.826)

MERCHANDISE IN THE AD WILL BE AVAILABLE (3.182)

NEX IS MY MAJOR SHOPPING FACILITY (3.087)

 $^{
m a}$ Number in parenthesis is the mean

 $b_1$  = Strongly disagree

2 = Disagree

3 = Neither disagree or agree

4 = Agree

5 = Strongly agree

Figure 3.

Respondents Attitudes Towards Mailed Ads, the NEX Ad, and the NEX

#### Retention

The fifth hypothesis was that recipients of a mailed NEX circular advertisement will have short term (4-7 days) retention of the information in the ad. Previously it was noted that 68% of the respondents understood and comprehended the advertisement. Examination of the levels of comprehension over time revealed the following results:

Days After Receipt of the Advertisement	Unaided <u>Mean Recall</u> a	
4	3.1	
5	2.5	
6	0.9	
7	0.5	

<sup>a</sup>Number of items recalled.

The time lapse between the receipt of the advertisement and the interview had a definite effect on the respondents level of comprehension. One Way Analysis of Variance (.05 level of significance) showed that a significant difference lies between those interviewed on day 4 and those interviewed on days 6 and 7. Nevertheless, the results demonstrate that respondents understood the advertisement and that they understand over time.

## Purchase Behavior

The sixth and final hypothesis was that recipients of a NEX circular advertisement will exhibit a purchase behavior for merchandise included in the advertisement.

Table 8 summarizes the analysis of data pertaining to this hypothesis. Over 50% of the respondents reported that they purchased at least one item contained in the circular advertisement with sundries being the most frequently purchased category of merchandise. The results indicate that purchase behavior of merchandise in the advertisement was exhibited by respondents receiving the ad.

TABLE 8

# MERCHANDISE DISPLAYED IN THE ADVERTISEMENT THAT WAS PURCHASED IN THE NAVY EXCHANGE

NUMBER OF ITEMS PURCHASED PER INDIVIDUAL	FREQ	FREQ %
None	33	47.8
One	24	34.7
Two	6	8.7
Three	2	2.9
Four or more	4	5.8
Total	69	100.0

# FREQUENCY OF INDIVIDUAL ITEMS PURCHASED

ITEM	FREQUENCY OF PURCHASE
Sundries	17
Housewares	8
Women's wear	6
Men's wear	5
Automotive	4
Boy's/Girl's clothes	À
Sporting and camping	$ec{m{L}}$
Books	3
Home improvement items	3
Small appliances	3
Tools	2
Cameras	1
Food items	1
Shoes	1
Silves	

Unlisted items were not purchased by respondents.

# Chapter 5

#### CONCLUSIONS

The results of the study indicate that persons receiving a mailed NEX circular advertisement moved through a hierarchical information processing model.

Table 9 is a summary of the results of each of the steps in the information processing model.

TABLE 9

# SUMMARY OF RESULTS OF MAILED NEX CIRCULAR

HIERARCHICAL STEP	PERCENT POSITIVE RESPONSE
Presentation	70
Attention <sup>a</sup>	71
Comprehensiona	68
Yielding <sup>a</sup>	51
Retentiona	68
Behavior <sup>a</sup>	52
a base 7 60	

a base = 69

It is apparent that eligible NEX patrons are aware and desire receiving ads for NEX merchandise for two reasons. First, they exhibited a very favorable response

when asked if they enjoy receiving ads for department store type material. Secondly, respondents indicated they would like to receive between 2 and 3 ads per month for NEX merchandise.

Upon examination of the comprehension step of the information processing model, it is interesting to note that respondents exhibited a higher level of understanding about specific products than about generalities of the ad (color and title). Noting the declining level of comprehension/unaided recall with the increase in time from the receipt of the ad to the time of the interview is significant. Because of the declining recall, advertisers should time receipt of the mailed ad to the day prior to the sale or promotion. If it is received too far in advance of the sale, recipients will have less comprehension because of increased forgetting. Due to the multiplicitive nature of the information processing model, decreased comprehension would lead to decreased rate of purchases.

Women had higher levels of comprehension because they are probably the persons of the household who do most of the shopping. In addition, women are more likely to be the first point of contact of the households' mail, especially if they are not working. Two strategies could be employed to deal with this situation. The first strategy would be to capitalize on the fact that the lady

of the household will be the predominent reader of the advertisement. Thus, merchandise suited for her and her children's needs would be included in the ad. An alternate strategy would be to attract the male shopper. With the latter strategy, camping, sporting, men's wear, and possibly ladies gift ideas might increase men's interest in the ad.

The finding that comprehension was present but decreases over time is extremely significant. This implies that the timing of the receipt of the ad by the prospective patron with the promotion is very critical. If the ad is received too far in advance of the promotion, forgetting will negate any of the gains made in the previous steps in the hierarchy. Thus, a behavior will not occur.

Concerning yielding, one would conclude that the highest levels were attained in the categories of value and quality. On the whole, respondents definitely felt that the NEX advertisement had merchandise of good quality and good value.

The lowest level of yielding was related to the degree to which the NEX was the respondents' major shopping facility. This borderlines between an affective and a conative behavioral step but will be addressed as primarily an affective behavior. This weak area could be at sibuted to perceived merchandise availability. The

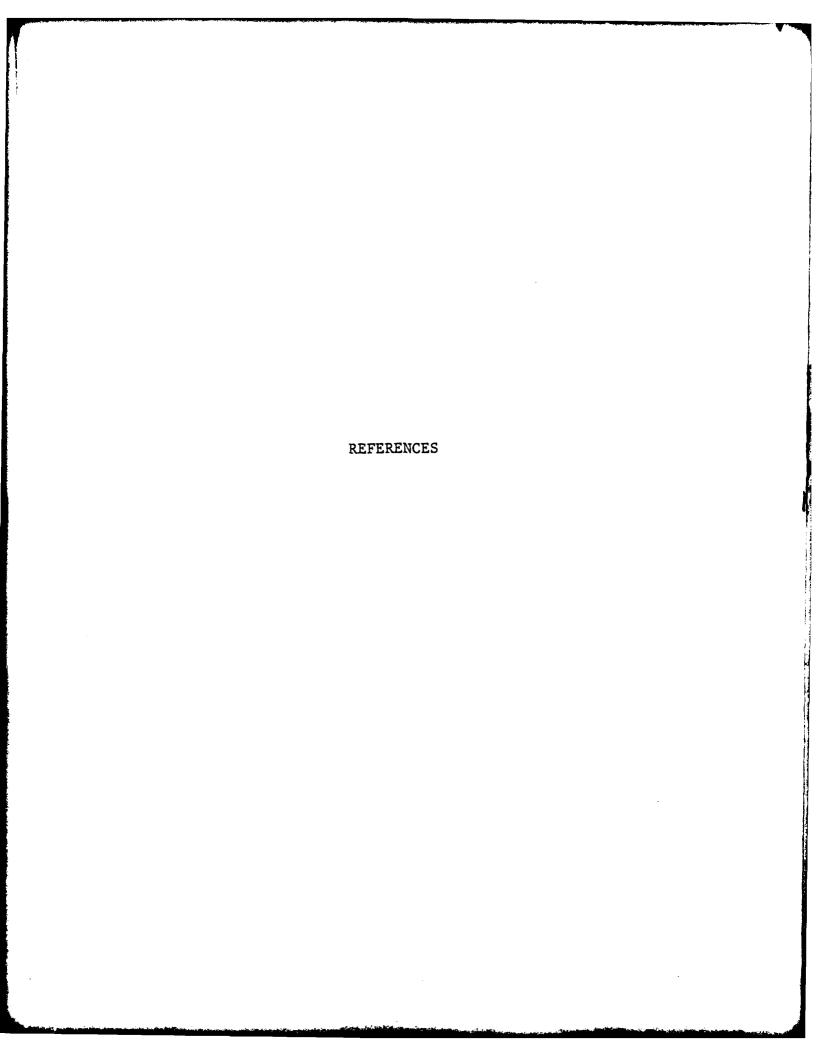
next lowest score in yielding was in the respondent's perception of whether the merchandise in the ad would be available. Even though the ad showed merchandise of good quality and at a good value, its effectiveness was reduced by the respondent's perception that the merchandise may not be available.

The fact that officers and petty officers (E-4 to E-6) perceive the merchandise as more relevant is due to age differences between the various pay grades. The NEX is possibly not targeting the lower age groups (E-3 and below) and the upper age group (E-7 to E-9). Even though pay grades were used as the means of grouping respondents, the difference found is due to age more than buying power. The chief petty officers (E-7 to E-9) pay grades would have similar buying power as the junior officers (0-1 to 0-3), however their age and life styles are considerably different.

The finding that over half of the recipients of the ad exhibited conative behavior and purchased an advertised item is the final measure of the effectiveness of the ad. This is higher than one would expect when using the multiplicative model. Using the results obtained in the study for each step in the hierarchy the probability of a behavior would be 17.2%. [Presentation (70.4%) X Attention (50.8%) X Comprehension (68%) X Yielding (71%) X Retention (68%) = 11.7%] This computation uses color

recall for attention and unaided product recall for comprehension. The apparent weakness in the ad is its attention getting capabilities.

In summary, McGuire's information processing model was shown to be a useful tool in analyzing the effectiveness of a mailed circular advertisement. The major limitation of the study was the size and method of selection of the sample. Nevertheless, the study did indicate positive effects of a mailed circular ad.



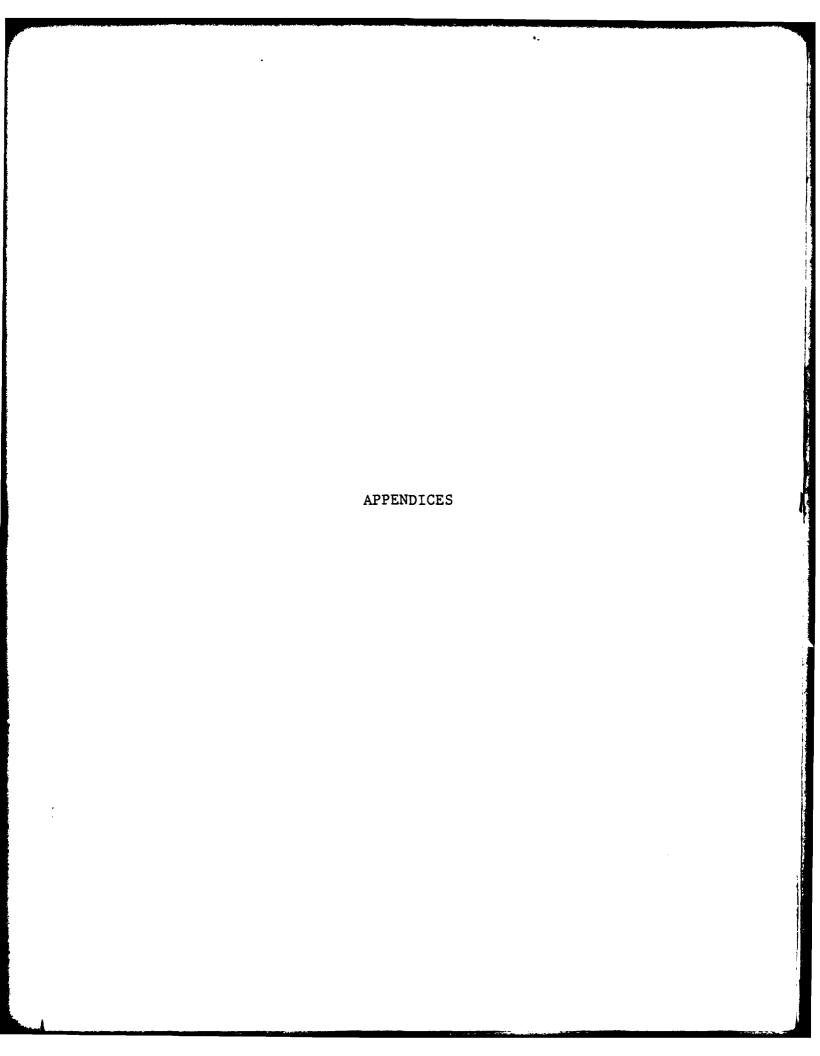
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# APPENDIX A

# SURVEY INSTRUMENT

	G	ood afternoon (evening) Mr. (Ms.)
Diego Do yo	o to oi	g in behalf of the Navy Exchange System in San btain your opinion of a recent advertisement. e a few minutes to answer a few questions?
(ASK		RANGE FOR A CALL BACK) HE ADULT OF THE RESIDENCE IF A CHILD ANSWERS ONE)
1.	Are yo	ou the person of the household who normally most of the Navy Exchange shopping?
	(1)	Yes
	(2)	No
	(3)	Don't know
	(4)	No answer
2.	obtain	n the past two weeks, have you received or ned a circular advertising Navy Exchange andise?
	(1)	Yes
	(2)	No
	(3)	Don't know
	(4)	No answer (IF 2, 3, OR 4, GO TO 23)
3.	How d:	id you receive the advertisement? (UNAIDED)
	(1)	Mail
	(2)	Obtained at store
	(3)	Obtained at base location
	(4)	Obtained at Navy housing complex
	(5)	Don't know
	(6)	No answer
	(7)	Other
		(SPECIFY)

4.		other department store type advertisements do receive? (UNAIDED)
	(1)	Fedmart
	(2)	K Mart
	(3)	Sears Roebuck
	(4)	Montgomery Wards
	(5)	Mervyns
	(6)	J. C. Penney
	(7)	None
	(8)	Don't know
	(9)	No answer
	(10)	Other (SPECIFY)
5.		was the title or main theme of the most recently ived Navy Exchange advertisement? (UNAIDED)  Spring Sale
	(2)	Don't know
	(3)	No answer
	(4)	Other (SPECIFY)
6.		was the predominant color of the most recently ived Navy Exchange advertisement? (UNAIDED)
	(1)	Red
	(2)	Blue
	(3)	Green
	(4)	Don't know
	(5)	No answer
	(6)	Other (SPECIFY)

- 7. What products do you recall seeing in the Navy Exchange advertisement? (UNAIDED)
  - (1) Automotive (air compressor, Gas Plus, timing light)
  - (2) Bicycle
  - (3) Books
  - (4) Boy's knit tops
  - (5) Camera
  - (6) Camping equipment (stove, lantern, backpack, knife)
  - (7) Food items (cat food, Cadbury's chocolate, Planters peanuts, Ragu spaghetti sauce, Baskin & Robbins ice cream)
  - (8) Girl's knit tops
  - (9) Girl's wear (girl's dresses, junior trousers, knit tops)
  - (10) Hair dryer
  - (11) Ironing helpmates
  - (12) Linens (sheets and pillowcases)
  - (13) Luggage
  - (14) Men's cologne
  - (15) Men's wear (jackets, short sleeve knit shirts, sport shirts, slacks, belts)
  - (16) Perfume
  - (17) Picture frames
  - (18) Placemat sets
  - (19) Radio (automotive, clock, portable)
  - (20) Shelf units
  - (21) Shoes (men's, ladies, casual)
  - (22) Sporting goods (tennis rackets, tennis balls, golf balls)
  - (23) Stereo
  - (24) Sundries (Vidal Sassoon shampoo, Johnson's shampoo, Flex shampoo, Silkience shampoo, Colgate Aim, Bayer aspirin, Tylenol, Dry Idea, Mennen Speed Stick, Noxema shave cream, Edge shave cream,

Signal mouthwash, disposable razors, Trac Two razor and blades, Glade air conditioner, Rave perm kit, Stayfree Maxi-pad, Massengill disposable douche, Shield soap, Dial soap, Clorox bleach, Lysol spray, Formula 409 cleaner, Soft Scrub liquid, Wish laundry detergent, Shout stain remover)

- (25) Tableware (plates, silverplate, crystal)
- (26) Tools (lock installation kit, socket set, screw-driver set, plier set, adjustable wrench set)
- (27) Typewriter
- (28) Toys (Hot Ones, Barbie Fashions, Pyramid Puzzle)
- (29) Watches
- (30) Women's wear
- (31) Don't know
- (32) No answer
- (SPECIFY)
- 8. I am going to read a list of categories of merchandise in the Spring Sale advertisement. Would you please indicate if you recall seeing any of the items.
  - Automotive accessories (10) Small appliances
     Books (11) Sporting/camping prods.
  - (3) Cameras (12) Stereo and radio
  - (4) Boy's clothes (13) Sundries
  - (5) Food (14) Tools
  - (6) Furniture (15) Toys
  - (7) Girl's wear (16) Women's wear
  - (8) Housewares (17) Don't know
  - (9) Men's wear (18) No answer

adver cate	I will read some statements the statement and ads in general whether you strongly disagranger agree, or strong	l. Would ree, disa	d you plea agree, ne	ase in ither	di- disa-
		S D (1)			S A (5)
9.	I enjoy receiving ads in the mail for department store type material.	he ——			
10.	The Navy Exchange Advertisement was informative.				
11.	The merchandise in the ad was relevant for my needs.				<del></del>
12.	The ad was attractive.				
13.	The ad showed merchandise of good quality.				
14.	The ad shows merchandise at a good value.				
15.	The merchandise in the ad will be available in the major Navy Exchanges.				<del></del>
16.	The Navy Exchange is my major shopping facility.				<del></del>
17.	What would you like to see Exchange advertisement simmadvertisement? (UNAIDED)				
	(1) Automotive	(10) St	mall appli	iances	
	(2) Books	(11) Si	orting an	nd cam	ping

(3)	Cameras	(12)	Stereo and radio
(4)	Boys/Girls clothes	(13)	Sundries
(5)	Food/groceries	(14)	Tools
(6)	Home improvement	(15)	Toys
(7)	Housewares	(16)	Don't know
(8)	Jewelry	(17)	No answer
(9)	Shoes	(18)	Other
			(SPECIFY)

	w often would you like to receive the advertisement? NAIDED)
(1	Once per month
(2	) Twice per month
(3	) Three times per month
(4	) Four times per month
(5	) None
(6	) Don't know
(7	) No answer
Di Ex	d you buy any of the merchandise shown in the Navy change Spring Sale advertisement? (UNAIDED)
(1	) Yes
(2	) No
(3	) Don't know
(4	No answer (IF 2, 3, OR 4, GO TO 23)
	i you buy the merchandise at the Navy Exchange?
(1	(11 125, 00 10 25)
(2	<b>,</b> ,
(3	(12 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
(4	No answer GO TO 23)

22.	Why didn't you buy the merchandise at the Navy Exchange? (UNAIDED)
	(1) Better price could be obtained elsewhere
	(2) Other stores were more convenient
	(3) Better selection elsewhere
	(4) Credit cards accepted elsewhere
	(5) Better quality elsewhere
	(6) Don't know
	(7) No answer
	(8) Other
	(8) Other (SPECIFY)
	"A few final questions."
23.	What is your (HUSBAND'S) rate/pay grade? (UNAIDED)
	(1) E1 - E3
	(2) E4 - E6
	(3) E7 - E9
	(4) 01 - 03
	(5) 04 & above
24.	What is your marital status?
	(1) Single
	(2) Married
	(3) No answer
25.	How many children reside in your household?
	(1) One
	(2) Two
	(3) Three
	(4) Four
	(5) Five or more
	(6) None (IF NONE, OR NO ANSWER,
	(7) No answer GO TO 27)

	<del>-</del>
	<del></del>
	<del>-</del>
Do y	you live in government quarters? (UNAIDED)
(1)	Yes
(2)	No
(3)	No answer
What	is your age?
(1)	
(2)	No answer
(OBI	AIN SEX OF RESPONDENT FROM VOICE TONE)
(1)	Male
(2)	Female
Have pert	e you read any information put out by the Navy caining to this project or advertisement? (UNA
(1)	Yes
(2)	No
(3)	Don't know
	No answer

# NAVY EXCHANGE SPRING SALE ADVERTISEMENT



(COPY OF ORIGINAL)



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Court Statement

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ABSTRACT

## ABSTRACT

This study focused on determining the effectiveness of a mailed circular advertisement utilizing McGuire's
information processing model which is a hierarchical model.
The information processing model assumes a person moves
through six steps (presentation, attention, comprehension,
yielding, retention, and behavior) when making a consumption decision. The function of advertising is to move the
consumer through these six steps which are often equated
to the cognitive, affective and conative psychological
behavioral steps.

A usable sample of 113 respondents was selected as a convenience sample from a local Navy activity. A Navy Exchange circular advertisement was mailed to the participants of the study. At the end of the sales promotion, a questionnaire was administered by telephone to ascertain the effectiveness of the advertisement along the six steps of the information processing model.

The results of the study indicated that the advertisement did have a positive effect on creating awareness, attention, comprehension, yielding, and behavior. Retention, the fifth step in the model was not evaluated. In addition women were found to have higher levels of comprehension (unaided recall of specific products in the ad) than men. These two factors are consistent with respondent's desire to see more women's and children's clothes

included in future NEX mailed advertisements. The fact that the women exhibited higher levels of comprehension which carried over to influence their attitudes (yielding) follows what one would expect in a successful advertisement using a hierarchical model to evaluate its effectiveness. Another finding which was in consonance with previous research was that people enjoy receiving advertisements in the mail for department store type merchandise. The study also revealed that as time between receipt of the ad and the time of the interview increases, recall on an unaided basis decreases. In other words, time and unaided recall have an inverse relationship. Additional findings noted differences in attitudes and perceptions of the advertisement dependent upon pay grade.

Based on the results of this study, operationalizing the mailed circular concept in the NEX advertising program on a full scale basis would provide positive results. In addition, the study provides some meaningful information applicable to marketing and advertising strategy which could be employed by the Navy Resale System.

